

50th
Annual Report
2009-2010

ACROW

ACROW

ACROW INDIA LIMITED

50TH ANNUAL REPORT AND (ACCOUTNS 2009-2010)

BOARD OF DIRECTORS

Shri Harshavardhan B. Doshi,
(Chairman)
Shri Narayan Varma,
Shri M. B. Bhide
Shri Vikram Bhat
Dr. D. S. Kulkarni (Upto 30.09.2009)
Shri Nihal H. Doshi
Shri Ashok S. Ashtekar (w.e.f. 01.10.2009)

REGISTERED OFFICE

Plot Nos. 2 & 3,
Ravalgaon
Tal. Malegaon
Dist. Nasik, Maharashtra
Pin Code 423 108
Tel. Nos.: (02554) 270274 / 270238
Fax No. : (02554) 270284

AUDITORS

M/s. V. SANKAR AIYAR & CO.
Chartered Accountants

CORPORATE OFFICE

Show Room No.:10 Arcade,
Ground Floor, World Trade Center,
Cuffe Parade, Mumbai-400 005
Tel. : (022) 22184291 / 22186479,
Fax.: (022) 22184294

BANKERS

BANK OF BARODA

FACTORY

Ravalgaon - 423 108,
Taluka Malegaon,
Dist. Nasik, Maharashtra.
Tel.: (02554) 270274/270238
Fax.: (02554) 270284.

REGISTRAR & SHARE TRANSFER AGENT, FREEDOM REGISTRY LIMITED.

Plot No.101/102, 19th Street.
MIDC Industrial Area, Satpur Nasik-422001
Tel.: (0253) 2354032, Fax No. (0253) 2351126

ANNUAL GENERAL MEETING: at 09:30 A.M. on Thursday, 30th September 2010 at Krida Mandal Hall, Ravalgaon - 423 108, Taluka Malegaon, Dist. Nasik, Maharashtra.

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting

NOTICE

NOTICE IS HEREBY GIVEN that the FIFTIETH ANNUAL GENERAL MEETING of the Company will be held as scheduled below.

DATE : Thursday, 30th September 2010
TIME : 09:30 A.M.
PLACE : Krida Mandal Hall, Ravalgaon – 423 108,
Taluka Malegaon, Dist. Nasik, Maharashtra.

to transact the following business :

ORDINARY BUSINESS:

- 1 To consider and adopt the Directors' Report, the Auditors' Report and the Balance Sheet and Profit and Loss Account for the financial year ended 31st March 2010 together with the Schedules and Notes attached thereto, along with the Directors' Report and the Auditor's Report.
- 2 To declare dividend
- 3 To appoint a Director in place of Mr. Narayan Varma who retires by rotation and, being eligible, offers himself for re-appointment.
- 4 To appoint a Director in place of Mr. Vikram Bhat who retires by rotation and, being eligible, offers himself for re-appointment.
- 5 To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

- 6 To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT in accordance with the provisions of section 257 & all other applicable provisions, if any, of the Companies Act, 1956, Mr. Ashok Ashtekar who was appointed by the Board of Directors as an additional Director of the company and who holds office up to the ensuing Annual General Meeting under section 260 of the Companies Act 1956 & in respect of whom the Company has received a notice in writing proposing his candidature or the office of Director, be & is hereby appointed as Director of the Company, liable to retire by rotation.

By Order of the Board,
H. B. DOSHI
Chairman

Dated: 27th July 2010.

NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- 2 The Register of Members and Share Transfer Books of the Company will remain closed from 15th September 2010 to 30th September 2010 both days inclusively
- 3 The members holding shares in physical form are requested to notify immediately details of any change/ correction in their address, bank particulars etc. to the Company's Registrars and Share Transfer Agents. Members holding shares in demat account (electronic form) may notify any change to the Depository Participant.
- 4 i) The dividend for the financial years ended 31st March, 1996, 30th September, 1997, 30th September, 1998, 30th September, 1999 and 30th September, 2000, 30th September, 2001 and

30th September 2002 which remained unclaimed for 7 years from the date of declaration have been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

- ii) Dividend for the financial year ended 30th September, 2003 which remains unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government on 30th, September, 2010 pursuant to the provisions of Section 205 A & 205 C of the Companies Act, 1956. the shareholders are requested to apply for claim of unclaimed Dividend for the financial year ended 30th September 2003 and thereafter.
 - iii) Shareholders are requested to note that no claim shall lie against the Company or the said Investor Education and Protection Fund after the transfer of unclaimed dividend to the fund.
- 5 The shares of the Company are under compulsory demat list of SEBI and therefore trading in equity shares can be done only in demat form. In case you have not demated your shares, you may do so by opening an account with any Depository Participant and completing the dematerialization procedure.
- 6 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

The Board of Directors of the Company (Board), appointed Shri Ashok Ashtekar as an additional director with effect from 1st October 2009 pursuant to provisions of Section 260 of the Companies Act, 1956 read with Articles of Association of the Company by Circular Resolution.

In terms of provisions of section 260 of the Act, Shri Ashok Ashtekar would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with deposit of Rs 500/- from proposing the candidature of Mr Ashok Ashtekar to the office of director under the provisions of section 257 of the Act.

Shri Ashok Ashtekar is not disqualified from being appointed as Director in terms of section 274(1)(g) of the Act. The Company has received the requisite Form DD-A from Shri Ashok Ashtekar in terms of the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules 2003 confirming his eligibility for such appointment.

On behalf of the Board of Directors

H. B. DOSHI
CHAIRMAN

Registered Office :

Ravalgaon – 423 108

Taluka Malegaon, Dist. Nasik, Maharashtra.

Dated : 27th July 2010.

DIRECTORS' REPORT

To,

The Members

Your Directors have pleasure in presenting their Fiftieth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS	(Rs. in Lacs) Current Year 2009-10	(Rs. in Lacs) Previous Year 2008-09
Sales and Other Income	337.93	367.82
Operating Profit	59.30	47.71
Less: Interest & Finance Charges	1.55	2.10
Depreciation	32.29	31.83
Profit Before Tax	25.46	13.78
Less: Provision for Tax		
Current Tax	12.25	9.00
Deferred Tax Credit/(Debit)	(18.61)	(6.28)
Fringe Benefit Tax	—	0.70
Tax for Earlier Years	0.94	15.09
Profit After Tax	32.76	25.45
Add: Balance Brought forward from previous year	224.51	227.82
Balance available for appropriation	257.27	253.27
APPROPRIATIONS		
- Proposed Dividend	32.00	22.40
- Corporate Dividend Tax	5.31	3.81
- Transfer to General Reserve	3.30	2.55
Balance Carried to Balance Sheet	216.66	224.51

DIVIDEND

Your Directors have recommended Dividend of Rs. 5/- for each equity shares on 6,40,000/- equity shares of Rs. 10/- each for the Financial year ended 31st March, 2010. The dividend will be paid to those members whose name appear in the Register of Members as on 15th September, 2010, in respect of Shares held in dematerialised form, it will be paid to members whose names are furnished by depositories.

The Company has transferred a sum of Rs. 13.357/- being unclaimed Dividend of the financial year 2001-2002 as per the provisions of 205C of the Companies Act, 1956 to the credit of "Investor Education and Protection Fund" established by the Central Government. The unclaimed Dividend for the year 2002-03 shall be due for payment to "Investor Education and Protection Fund" on 30th November 2010.

PERFORMANCE

The Company's turnover is at Rs. 284.44 lacs (inclusive of excise duty and service tax) as compared to Rs. 308.94 lacs during the previous year reflects a decrease of about 8% compared to the previous year.

The Operating Profit for the year is Rs.59.30 lacs as against Operating Profit of Rs.47.71 lacs in the previous year and Profit Before Tax is Rs.25.46 lacs (Previous year Rs. 13.78 lacs).

CURRENT YEAR

Current year's operations are quite encouraging. There is a better response to the company's products from the sugar industry.

INCOME TAX

The Income Tax Assessments of the Company have been completed upto the Accounting Year 2005-06.

FIXED DEPOSITS

The Company did not accept/renew any deposits from the public during the year under review.

STATUTORY DISCLOSURES

A Statement giving the details regarding the Conservation of Energy and Technology Absorption, Foreign Exchange Earnings and Outgo as required by the Companies (disclosure of particulars in the report of the Board of Directors) Rules, 1988, is annexed hereto as 'Annexure A' and forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment Act), 2000 and on the basis of information and advice received by them the Directors of your Company state as under, that

- a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) The accounting policies are consistently applied and reasonable and prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis.

SECRETARIAL COMPLIANCE CERTIFICATE

A Secretarial Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 is attached herewith as Annexure 'B'.

CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) has formulated a Code of Corporate Governance with regard to the Board of Directors, appointment of Committees, Remuneration of Directors, Board

Procedures, Management, Shareholders etc. and a Clause 49 has been incorporated in the Listing Agreement for ensuring compliances hereunder. The activities of the Company are managed by professionally competent and independent Board of Directors and although, the Company does follow some of the stipulations made under the said code, the said Clause 49 is not applicable to the Company.

PERSONNEL

The relations with the employees continue to remain cordial. The Directors express their appreciation for the support given, and the contribution made by the employees at all levels.

Particulars of employees under Section 217 (2A) of the Companies Act, 1956, read with the (Particulars of employees) Rules, 1975, as amended, are not given since there is no employee drawing remuneration stipulated under the said rules.

DIRECTORS

In terms of Article of the Association of the Company. Mr. Narayan Varma and Mr. Vikram Bhat retire by rotation at the AGM and being eligible, offer themselves reappointment.

In accordance with the provisions of the Companies Act, 1956 and Article 152 of the Company's Article of Association, Mr. Ashok S. Ashtekar who was appointed as an additional director by the Circular Resolution on 1st October 2009, holds office only upto the date of the ensuing annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS

M/s. V. Sankar Aiyar & Co., Chartered Accountants, Mumbai, the existing Auditors retire at the ensuing Annual General Meeting of your Company. They have however, intimated to the Company that they do wish to seek re-appointment. M/s. V. Sankar Aiyar & Co, Chartered Accountants, Mumbai have indicated their availability and willingness to be appointed as Statutory Auditors of your Company. A resolution seeking your approval for the appointment of the said Auditors has been included in the notice convening the Annual General Meeting.

ACKNOWLEDGEMENT

The Board places on record its appreciation for the continued support extended to the Company by the Shareholders, Bankers, Suppliers and Customers.

For and on behalf of the Board of Directors

Harshavardhan B. Doshi
Chairman

Registered Office:

Plot Nos. 2 & 3

At & Post Ravalgaon

Taluka Malegaon, Dist. Nashik, Maharashtra

Pin Code 423 108

Date: 27th July 2010

ANNEXURE TO DIRECTORS' REPORT ANNEXURE 'A'

Particulars as per Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY:

- I. In order to conserve energy, preventive maintenance of the Plant & Machinery is carried out on a regular basis. The production is taken in batches to obtain optimum output. For the manufacture of Company's products mainly electrical power is used. Diesel oil is also used to an extent for operating mobile crane and other material handling equipments.
- II. No additional investment for reduction of energy consumption is envisaged during the year.
- III. The average cost of energy consumed in relation to the total cost of production is negligible. Consequently its significant impact is not expected on the cost of production on account of reduction in the consumption of energy.

B. TECHNOLOGY ABSORPTION:

a. Research and Development (R & D)

- i) **Specified areas in which R & D carried out by the Company** – Efforts are continued on regular basis for further improvement in quality of the products. Improving and maintaining the quality of certain key raw materials mainly steel, paints etc. are also given proper attention.
- ii) **Benefits derived as a result of the above R & D** – Maintenance of quality standards.
- iii) **Future Plan of Action** – Steps are continuously taken for the development of new products, up-gradation of technology and improvement of product quality with an aim of offering better products to the customers.
- iv) **Expenses on R & D** – The expenses incurred by the Company on R & D are primarily for testing of the product quality and specifications. Amount spent on such activity will therefore not reflect the true expenses on Research and Development.

b. Technical Absorption, Adaptation and Innovation:

- i. **Effort, in brief, made for Technical Absorption, Adaptation and Innovation on the basis of the Company's own R & D activities** – Absorption and adaptation of the new technology is a continuous process to meet the specific needs of the local market.
- ii. **Benefit derived as a result of the above efforts** – Improvement of product quality, cost effectiveness and energy conservation are the major benefits.
- iii. **Imported Technology:**
 - (a) Technology imported : For Automatic Weighing and Bagging Machines
 - (b) Year of Import : 1995-96
 - (c) Has technology been fully absorbed? : Yes

c. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports; Initiatives taken to increase export; development of new Export Market for product and services; and export plans.

The Company is continuously making efforts to find export market for its products, particularly in the neighboring countries, Middle East and African countries.

To,
The Members,
Acrow India Limited
P.O Ravalgaon - 423108
Taluka – Malegaon, Dist Nasik,
Maharashtra

CIN L13100MH1960PLC011601

Nominal Capital Rs 1.00 CRORE

We have examined the registers, records, books and papers of M/s ACROW INDIA LIMITED (the company) as required to be maintained under the Companies Act, 1956 (the Act) and rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers, agents, we certify that in respect of the financial year ended on 31st March 2010:

1. The company has kept and maintained all the registers as stated in the Annexure “A” to this certificate, as per the provisions of the Act and the rules made there under and all the entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure “B” to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board, or other authorities within the time prescribed under the Act and the rules made there under.
3. The company is a public limited company and has paid up capital of Rs 64,00,000/ (Rupees Sixty Four Lacs only) as on 31st March 2010.
4. The Board of Directors duly met 5 times on 21st April 2009, 23rd June 2009, 29th July 2009, 29th October 2009 and 29th January 2010 and in respect of such meetings proper notices were given and proceedings were properly recorded and signed.
5. The company closed its Register of Members from Tuesday, 15th September 2009 to Tuesday, 29th September 2009.
6. The Annual General Meeting for the financial year ended 31st March 2009 was held on Tuesday, 29th September 2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year ended 31st March 2010.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act during the year. However there is an outstanding balances of loans already granted to one company which aggregates to Rs. 1.00 crores and the maximum amount outstanding during the year amounts to Rs 1.00 crore.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or the Central Govt.
12. The company has issued duplicate share certificates during the financial year after complying with the provisions laid down in the Act.
13. During the financial year ended 31st March 2010:
 - (i) The Company has delivered all the certificates on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. The company has not made any allotment of securities during the financial year.

- (ii) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. Mr Ashok Ashtekar was appointed as an additional director during the year. There was no appointment of Alternate Directors and Directors to fill casual vacancies during the financial year ended March 31, 2010.
 15. The appointment of Managing Director/Whole time Director/Manager has been made in compliance with the provisions of the Act.
 16. The company has not made any appointment of sole selling agents during the year.
 17. The company was not required to obtain any approvals of the Central Govt. Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
 18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The company has not issued any shares/debentures/other securities during the financial year.
 20. The company has not bought back any shares during the financial year.
 21. There was no redemption of preference shares/debentures during the financial year.
 22. There was no transaction necessitating the company to keep in abeyance the right to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The company has not invited/accepted any deposits during the year under review and hence the question of complying with the provisions of Section 58A and 58AA read with the Companies (Acceptance of Deposits) Rules 1975/the applicable directions issued by the Reserve Bank of India/ any other authority in respect of deposits accepted including unsecured loans taken does not arise.
 24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2010 is within the borrowing limits of the company.
 25. The company has given loans and made investments in other bodies corporate in compliance with the provisions of section 372A and has made necessary entries in the register kept for that purpose.
 26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
 27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
 28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
 29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
 30. The company has not altered any of the provisions of its Articles of Association during the year under scrutiny.
 31. There were no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other penalties or punishments were imposed on the company during the financial year for any of the offences under the Act.
 32. The company has not received any money as security from its employees during the year under certification.
 33. The company has deposited both employees' and employer's contribution to Provident Fund with the prescribed authority pursuant to section 418 of the Companies Act, 1956

Place Mumbai
Date: July 27, 2010

Signature:
Name: BIPIN RAJE
C.P No: 6147